



**MINUTES
BUDGET, FINANCE AND AUDIT COMMITTEE
UNA FOUNDATION**

Friday, March 13, 2020; 10:00 a.m. – 11:30 a.m.

The Guillot University Center – Banquet Hall D

Present: Vice Chair Cathy Miller, Lucy Trousdale (by phone), Larry Bowser, Jeff Johnson and Foundation Executive Director Kevin Haslam.

Others Present: Morgan Fowler

Not Present: Chair Chuck Hunt, Graham Sisson, David Muhlendorf and Evan Thornton (*Staff, non-voting*)

Staff Liaison: Gwen Patrick

The meeting was called to order at 10:02 a.m. Vice Chair Miller welcomed Committee members.

Vice Chair Miller reviewed minutes from the November 15, 2019 Budget, Finance, and Audit Committee meeting. Jeff Johnson made a motion to approve the minutes as drafted. Larry Bowser provided a second and all members voted in favor.

Vice Chair Miller introduced Jeremy Blackburn with CDPA, PC and requested that he proceed to review the audited financial statements for the University of North Alabama Foundation, Inc. for the year ended September 30, 2019. Mr. Blackburn supplied a *Report to the Board of Directors* for the Committee's review which described the Board of Director's responsibilities and his firm's responsibilities. He then proceeded to discuss how the firm used statistical sampling based on the Foundation's internal controls to examine the accounting records, new non-profit standards implemented regarding funds with donor restrictions and funds without donor restrictions and materiality levels used to determine what audit adjustments needed to be made to the accounting records. Only one adjustment to the financial statements was required due to the timing of the receipt of some investment statements. Mr. Blackburn then reviewed the audited financial statements and the accompanying notes. The statements were issued with an unmodified opinion and he encountered no issues in preparing the statements. A discussion was held regarding the loss reported on the Statement of Activities and it was requested that a comparison and explanation of profits and losses over the last several years be reviewed at the next meeting of the Committee. Also discussed were new accounting standards regarding leases that may impact future audited financial statements. Mr. Bowser made a motion to accept the audited financial statements as presented. Mr. Johnson provided a second and all members voted in favor. It was reiterated that CDPA, PC will continue to audit the Foundation's financial statements and a new audit partner will conduct the audit for the fiscal year ending September 2020.

Ms. Patrick reviewed the unaudited Unrestricted Operating Budget vs. Actual Statement, a Statement of Activities and a Statement of Financial Position for the Foundation as of January 31, 2020. Several of the line items were discussed in detail and there were no major variances that needed attention.

The Foundation's Gift Acceptance Policy was revised in March 2019. Upon the acceptance of the revision, it was recommended that the policy be reviewed annually by the Committee. Several minor revisions were made to the policy during the March 13, 2020 meeting regarding the consistency of titles, redundancies and unnecessary language. It was also determined that, going forward, Foundation staff will review the policy annually and present any requested revisions to the Committee or report to the Committee that no revisions are requested. Mr. Johnson made a motion that the revisions to the Gift Acceptance Policy be approved by the Committee, Mr. Bowser provided a second and all members voted in favor.

Mr. Haslam reported that options for use of the excess reserve funds held, due to the acceptance of the Operating Reserve Policy adopted in November 2019, are still being discussed and will be presented at the next meeting of the Committee.

The meeting adjourned at 11:17. a.m.